

Dear Reader,



Welcome to Performance Marketing, the monthly newsletter for online marketers looking for results. This issue is about the pressure to produce results in a down economy, the latest news on [social networks](#), and how to [measure the ROI of social media](#).

We want to help you be successful in these interesting, and challenging, times.

It's tempting to cut spending and wait out the downturn. Many companies are slashing marketing budgets. But cutting marketing costs is not a long-term solution to the economic downturn, and can lead to bigger problems later.

A better option is to rethink your marketing mix to focus on selective targets. Choosing the right balance can help generate sales and lead to future growth.

Here are three things you can do in the current economic climate to boost results:

1. Choose the right marketing mix that offers a blend of traditional and interactive/social marketing.
2. Measure and track the effectiveness of all marketing tactics and strategies to identify the optimum mix on an on-going basis.
3. Use a pay-for-performance model to generate traffic and achieve growth without a big upfront commitment.

Whether you are promoting your product or service through email marketing, search engine marketing, display advertising, social networks, mobile or affiliate networks, having the right mix is crucial.

An experienced Performance Marketing agency will create effective advertising campaigns and promotions to convert the maximum number of new leads or customers, ensuring your success during tough times.

All the Best,
Daniel Laury
Founder, President and CEO
LSF Interactive

Facebook vs. MySpace

The top two social networks are neck and neck. While Facebook leads in number of visitors, MySpace still dominates Facebook advertising. According to comScore, MySpace visitors viewed 31.8 million ads in April 2009, accounting for almost 47% of the total social network advertising space. Facebook was second, serving nearly 25 million ads and making up about 37% of the sector.



In May 2009, Facebook became the most popular US social networking site. According to comScore, Facebook totaled 70,278,000 unique visitors, up 97% from May 2008 to May 2009. MySpace hits shrank 5% over the same timeframe, fading to 70,255,000 unique visitors.



Visit [New Media Chatter](#) to learn which social media tools Dave Peck, our New Media Strategist, uses.

You Heard It Here

"The use of social media for affiliate marketing is growing. For example, video product reviews on Youtube, product shots in Flickr, and a Facebook presence for brands with links to two or three affiliates as favorite links. Marketers also need to get involved with mobile marketing. The other day I downloaded apps for two of my favorite shops and bought a pair of shoes from my phone. It's only going to get more popular."



Baglan Nurhan, Senior Director, Media, LSF Interactive

Social Media Toolbox

Use these tools to collect and access data to analyze your social media ROI.

CustomScoop
Cyberalert
e-Watch
Google blogs
Google news
Hubspot Grader
Radian 6
RSS feeds
Social Media Mention
Survey Monkey
Technorati
Techrigy
Twazzup
Twinfluence
Twitter Grader

"Facebook is becoming the go-to social networking site for marketers," said eMarketer senior analyst Debra Aho Williamson. "While MySpace still has a huge quantity of visitors, they are becoming less relevant for advertisers."

Top 20 Social Networking Sites Among US Internet Users, May 2008 & May 2009 (thousands of unique visitors and % change)

	May 2008	May 2009	% change
1. Facebook	35,594	70,278	97%
2. MySpace sites	73,691	70,255	-5%
3. Twitter	633	17,592	2,681%
4. Classmates.com sites	14,867	15,136	2%
5. MyLife.com sites	-	9,862	-
6. Windows Live Profile	-	9,666	-
7. Buzznet	5,427	9,273	71%
8. Bebo	-	8,801	-
9. Digg	6,321	8,613	36%
10. Yahoo! Buzz	5,786	8,017	39%
11. LinkedIn	3,933	7,470	90%
12. deviantART	3,914	6,399	63%
13. Tagged	2,763	6,248	126%
14. hi5	3,433	3,848	12%
15. Gaia Online	2,091	2,756	32%
16. SodaHead.com	1,166	2,490	114%
17. BlackPlanet.com	1,924	2,376	24%
18. AOL Community	4,235	2,345	-45%
19. Plaxo	1,167	2,339	101%
20. FunAdvice.com	952	2,269	138%
Social networking category	131,808	147,009	12%
Total internet audience	190,858	193,825	2%

Note: home, work and university locations

Source: comScore Media Metrix as cited by Inside Facebook, June 15, 2009

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www.eMarketer.com

9 Steps to Analyzing Social Media ROI

A [recent report by Razorfish](#) reveals that companies ignore social media at their peril. The report states, "Marketers must still try to reach consumers through social media since that's where conversations about brands are increasingly taking place."

For the study, Razorfish surveyed 1,000 consumers split evenly between active social network users and a broader sample of the general population. Overall, 80% belonged to at least one social network and 40% were active in two.

The findings revealed that 62% say they don't seek out brand opinions via social media but 71% share recommendations on products and services on social sites at least once every few months. This suggests that people are influencing each others' purchase decisions even when they're not consciously asking for purchase advice.

But many marketers, under increasing pressure to produce results, might hesitate to pursue social media without being able to pinpoint ROI.

Actually, calculating the ROI of social media follows the same basic premise as it does for any other marketing initiative -- figure out what you're putting into it, what you expect to get out of it, define your metrics, measure, calculate, and voila!

Visible Technologies
Woopra
Xinureturns
Zoomerang

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[Growth in a Downturn](#)

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[Get the SEM You Deserve](#)

Contact Us

To find out more about how performance marketing can help your business, call 1.877.616.8226 (U.S.) or +33.1.5805.1158 (Europe).

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Here are 9 steps to measuring social media ROI:

1. Define the expected results of your social media campaign.
2. Define the investment in terms of personnel, costs, and time.
3. Understand your audiences and what motivates them.
4. Define the metrics. What exactly will you measure?
5. Determine your benchmarks.
6. Pick a tool and conduct research.
7. Analyze results.
8. Apply insights, adjust efforts and remeasure.
9. Repeat steps 7 and 8.

A well-crafted social media presence is an essential part of doing business today. Feel free to email us if you have any questions about how to incorporate social media into your marketing efforts.

About LSF Interactive

[LSF Interactive](#) is a full service global interactive marketing agency that leverages all Internet channels, including Search Engine Marketing, Search Engine Optimization, Social Media, Display, Email and Affiliate program management, and focuses on conversions, to help companies acquire new customers, qualified leads or traffic and increase their online revenues. The company employs 90 people worldwide, is headquartered in San Francisco, CA, and has offices in Boston, MA, Paris, France, and Hyderabad, India.

Questions? Call 877.616.8226

